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PART III.

Legislative Measures and Rules thereunder.

NOTIFICATION.

No. FL. 911—I. T. 48-22-26, DATED 7TH AUGUST 1923.

Rules under the Mysore Income-tax Regulation, 1923.

In exercise of the powers vested in them under section 59 of the Mysore Income-tax Regulation, (V of 1923), the Government of His Highness the Maharaja are pleased to sanction the following rules, namely:—

1. These rules may be called the Mysore Income-tax Rules, 1923.

2. Any firm constituted under an instrument of partnership specifying the individual shares of the partners may, for the purposes of clause (14) of section 2 of the Mysore Income-tax Regulation, 1923 (hereinafter in these rules referred to as the Regulation), register with the Income-tax Officer the particulars contained in the said instrument on application in this behalf made by the partners or by any of them on or before the date on which a return is due under sub-section (2) of section 22 of the Regulation.

3. The application referred to in rule 2 shall be made in the form annexed to this rule and shall be accompanied by the original instrument of partnership under which the firm is constituted together with a copy thereof: provided that if the Income-tax Officer is satisfied that for some sufficient reason the original instrument cannot conveniently be produced, he may accept a copy of it certified in writing by one of the partners to be a correct copy, and in such a case the application shall be accompanied by a duplicate copy.

Form of application for registration of a firm under section 2 (14) of the Mysore Income-tax Regulation, 1923.

To

THE INCOME-TAX OFFICER,

Dated 192

I
We beg to apply for the registration of
my
our firm under section 2 (14) of the Mysore Income-tax
Regulation, 1923.

2. ^{The original}
A certified copy of the instrument of partnership under which the firm is constituted specifying the individual shares of the partners together with ^{a copy}
duplicate copy is enclosed. The prescribed particulars are given below:

3. We do hereby certify, that the profits for the year ending have been or will be actually divided or credited in accordance with the shares shown in this partnership deed.

Signature.....

Address.....

Name and address of the firm	Names of the partners in the firm with the share of each in the business	Date on which the instrument of partnership was executed	Date, if any, on which the instrument of partnership was last registered in the Income-tax Officer's Office	Remarks

I
We do hereby certify that the information given above is correct.

Signature (s).....

4. (1) On the production of the original instrument of partnership or on the acceptance by the Income-tax Officer of a certified copy thereof, the Income-tax Officer shall enter in writing at the foot of the instrument or copy, as the case may be, the following certificate, namely:

"This instrument of partnership (or this certified copy of an instrument of partnership) has this day been registered with me, the Income-tax Officer for in the district of under clause (14) of section 2 of the Mysore Income-tax Regulation, 1923. This certificate of registration has effect from the day of July 19

(2) The certificate shall be signed and dated by the Income-tax Officer who shall thereupon return to the applicant the instrument of partnership or the certified copy thereof, as the case may be, and shall retain the copy or duplicate copy thereof.

5. The certificate of registration granted under rule 4 shall have effect from the date of Registration.

6. A certificate of registration granted under rule 4 shall have effect up to the end of the financial year in which it is granted, but shall be renewed by the Income-tax Officer from year to year on application made to him

in that behalf on or before the date on which the return under sub-section (2) of section 22 of the Regulation is due, and accompanied by a certificate signed by one of the partners of the firm that the constitution of the firm as specified in the instrument of partnership remains unaltered.

7. Under section 9(1) (vi) of the Regulation, the sum to be allowed in respect of collection charges shall not exceed 6 per cent of the annual value of the property.

8. An allowance under section 10(2) (vi) of the Regulation in respect of depreciation of buildings, machinery, plant or furniture shall be made in accordance with the following statement :—

Class of buildings, machinery, plant or furniture	Rate	Remarks
	(Percentage on prime cost)	
I. BUILDINGS :—	Rs. ...	
(1) First class substantial buildings of selected materials.	2½	*Double these rates may be allowed for buildings used in industries which cause special deterioration, such as chemical works, soap and candle works, paper mills, and tanneries.
(2) Buildings of less substantial construction.	5	
(3) Purely temporary erections such as wooden structures.	10	
II. MACHINERY, PLANT OR FURNITURE :—	...	†The special rates for electrical machinery given below may be adopted, at firm's option for that portion of their machinery.
General rate	5	
Rates sanctioned for special industries :—		
Flour Mills, Rice Mills, Bone Mills, Sugar Works, Distilleries, Ice Factories, Aerating Gas Factories, Match Factories.	6½	
Paper Mills, ship building and Engineering Works Iron and Brass Foundries, Electrical Engineering Works, Motor Car repairing Works, Galvanizing works, Patent Stone works, Oil extraction factories, Chemical works, Soap and Candle works, Lime works, Saw Mills, Dyeing and Bleaching works, Furniture and plant in hotels and boarding houses, Cement works using rotary kilns.	7½	
Plant used in connection with brick manufacture, tile making machinery, optical machinery, glass factories, surgical and dental instruments, Telephone Companies, Collieries.	10	
Sewing machines for canvas or leather.	12½	
Motor cars used solely for the purpose of business.	15	
Motor taxis, motor lorries and motor buses.	20	
Electrical Machinery :—		
(a) Batteries	15	
(b) Other electrical machinery, including electrical generators, motors (other than tramway motors) switch-gear and instruments, transformers, and other stationery plant and wiring and fittings of electric light and fan installations.	7½	
(c) Underground cables and wires	6	
(d) Overhead cables and wires	2½	
(e) Plant used in connection with Gold Mines.	7½	
V. Hydro-Electric concerns :—		
Hydraulic works, pipe lines, sluices and all other items not otherwise provided for in this statement.	2½	

9. For the purpose of obtaining an allowance for depreciation under proviso (a) to section 10 (2) (vi) of the

Regulation, the assessee shall furnish particulars to the Income-tax Officer in the following form:—

Description of buildings, machinery, plant or furniture	Capital expenditure during the year for additions, alterations, improvements and extensions	Date from which used for the purposes of the business	Particulars (including original cost, depreciation allowed, and value realised by sale or scrap value) of obsolete machinery, plant or furniture sold or discarded during the year with dates on which first brought into use and sold or discarded.	Remarks
1	2	3	4	5

I declare that to the best of my information and belief the buildings, machinery, plant and furniture described in column 1 of the above statement were the property of during the year ended and that the particulars entered in the statement are correct and complete.

Place..... Signature.....
Date..... Designation.....

10. All sums deducted in accordance with the provisions of Section 18 of the Regulation shall be paid by the person making the deduction to the credit of the Government on the same day as the deduction is made in the case of deduction by or on behalf of Government, and within one week from the date of such deduction in all other cases:

Provided that the Income-tax Officer may, in special cases, and with the approval of the Deputy Commissioner, permit a Local authority, Company, Public body or Association, or a private employer to pay the income-tax deducted from salaries quarterly on September 15th, December 15th, March 15th and June 15th.

11. In the case of income chargeable under the head "Salaries," where deduction is not made by or on behalf of Government, the person paying the salary shall pay to the credit of the Government by remitting the amount to the Income-tax Officer concerned or to such officer as he may direct and shall send therewith a statement showing the name of the employee from whose salary the tax has been deducted, the period for which the salary has been paid, the gross amount of the salary, the deduction for a provident fund or insurance premia, and the amount of tax deducted.

12. In the case of income chargeable under the head "Interest on securities," where the deduction is not made by or on behalf of Government, the person responsible for paying the interest shall pay to the credit of the Government by remitting the amount to the Income-tax Officer concerned or to such officer as he may direct with a statement showing the following particulars:—

- (1) Description of securities.
- (2) Numbers of securities.
- (3) Dates of securities.
- (4) Amounts of securities.
- (5) Period for which interest is drawn.
- (6) Amount of interest, and
- (7) Amount of tax.

13. The certificate to be furnished under Section 18 (9) of the Regulation by any person paying interest chargeable to income-tax on any security of the Government of Mysore shall be in the following form:—

Draft No.¹
 Certified that Rs. being income-tax at the rate of pies per rupee has been deducted by draft of this date from Rs. being the amount of interest for Rs.
 on² for Rs. standing in for Rs.
 the name of
 192 Superintendent or Principal Officer.

(1) This number also appears in the interest cages on the back of the securities.

(2) Name of security.

To be signed by claimant.

I hereby declare that the securities on which interest as above specified has been received were my own property and were in the possession of
 at the time when income-tax was deducted.

Signature
 Date

(N.B.—The securities to be produced when required in support of any claim.)

13 A. The certificate to be furnished under section 18 (9) of the Regulation by the person paying any interest on debentures or other securities for money issued by or on behalf of a local authority or company, shall be in the following form:—

Name of ^{local authority} company
 Address

To

* I ^{we} hereby certify that Rs. being Income-tax at the rate of pies per rupee has been deducted from Rs. being the amount of interest at the rate of per cent per annum due* on debentures Nos. of Rs. each of the and that it has been or will, within the prescribed period, be paid by ^{mo} _{us} to the Government of Mysore at

Principal Officer or Managing Agents.

..... 192

* The date interest is payable. † Here enter the names of the local authority or the company.

To be signed by claimant.

I hereby declare that the securities on which interest as above specified has been received were my own property and were in the possession of at the time when Income-tax was deducted.

Signature
 Date

(N.B.—The securities to be produced when required in support of any claim.)

14. The certificate to be furnished by the principal officer of a company under Section 20 shall be in the following form:—

(Name of Company)

(Address of Company)

Date

(1) Or Dividend and bonus.

(2) Year or half-year, as the case may be.

(3) Here enter whether free of income-tax or not.

(4) Here enter number and description of shares.

(5) Here specify number and nature of meeting.

(6) Here enter date.

WARRANT for Rs., being dividend (1) of per cent, for the (2) ending on the day of 19 (3) on (4) shares in this Company registered in the name of This dividend was declared at the (5) meeting held on the (6) 192

I hereby certify that income-tax $\frac{1}{We}$ on the entire on per cent of profits and gains of the company, of which this dividend forms a part, has been, or will be, duly paid by $\frac{me}{us}$ to the Government.

Signature

Office

(To be signed by the Claimant.)

I hereby certify that the dividend above mentioned relates to shares which were my own property at the time when the dividend was declared and were in the possession of

Signature

Date

15. The returns for Government officers under Section 21 of the Regulation shall be prepared and submitted to the Income-tax Officer by—

(1) The Comptroller for all Gazetted Officers (including in this term) Amildars, Munsiffs and others who draw their pay on separate bills and whose bills are preaudited.

(2) Treasury Officers for all Gazetted Officers and others who draw their pay from treasuries on separate bills and also for all pensioners and gratuitants who draw their pensions and gratuities from treasuries.

NOTE.—The term "treasuries" and "Treasury Officers" include "Taluk treasuries" and "Taluk Treasury Officers."

(3) Heads of offices and schools, colleges and other Government institutions for all non-gazetted officers whose pay is drawn on establishment bills.

(4) Disbursing officers in the Survey Department and in the Industries and Commerce Department in respect of the establishments under them, the salaries of which are paid by cheques.

(5) The Auditor, Mysore Railways, for all railway employees under his audit.

(6) In the case of persons not covered by the above, such person as the Income-tax Officer may call upon to make the return.

Particulars stated are correct.

Signature of person by whom
the return is delivered:

Date.....

18. The return of total income of companies required under section 22 (1) shall be in the following form and shall be accompanied by a copy of the profit and loss account referred to therein:—

Income, Profits or Gains from Business, Trade, Commerce.

Income, profits or gains as per profit and loss account for the year ended.....192 ..	Rs. a. p.
<i>Add any amount debited in the accounts in respect of—</i>	
1. Reserve for bad debts ..	
2. Sums carried to reserve for provident or other funds ..	
3. Expenditure of the nature of charity or presents.	
4. Expenditure of the nature of capital ..	
5. Income-tax or Super-tax ..	
6. Rental value of property owned and occupied ..	
7. Cost of additions to, or alterations, extensions, improvements of, any of the assets of the business..	
8. Interest on reserve or other funds ..	
9. Losses sustained in former years ..	
10. Losses recoverable under an insurance or contract of indemnity ..	
11. Depreciation of any of the assets of the business.	
12. Expenses not incurred solely for the purpose of earning the profits ..	
Total ..	
<i>Deduct—Any profits included in the accounts already charged to Mysore Income-tax and the interest on securities of the Government of Mysore declared to be income-tax free ..</i>	
Balance ..	

If the company owns any property not occupied for the purposes of the business, a statement in the form prescribed in Schedule A to Rule 19 should be attached with particulars of the credit and debit on account of such property entered in the accounts.

Declaration.

I, the.....[Secretary, etc., see section 2 (12) of the Regulation] of the.....(name of Company) declare that the information against each head in this return is correctly given as shown in the books of the Company as also in the accounts which have been duly audited by the auditors of the Company and which have been adopted by the shareholders of the Company.

Signature.....

Designation.....

Dated 192 .

19. The return of total income for individuals, firms and Hindu undivided families required under Section 22 (2) shall be in the following form:—

Statement of total Income during the Previous Year.

1	2	3
Sources of income	Amount of profits or gains or income during the previous year	Tax already charged on the income.
1. Salaries (including wages, annuity, pension, gratuity, fees, commission, allowances, perquisites including rent-free quarters) or profits received in lieu of, or in addition to, salary or wages. (See note 1.)		
2. Interest on Securities (including debentures) already taxed. (See note 2.)		
3. Interest on Securities of the Government of Mysore declared to be income-tax free. (See note 3.)		
4. Property as shown in detail in Schedule A. (See note 4.)		
5. Business, trade, commerce, manufacture, or dealings in property, shares or securities. (Details as in note 5) (See note 5.)		
6. Profession. (See note 6.)		
7. Dividends from Companies (See note 7.)		
8. Interest on mortgages, loans, fixed deposits, current accounts, etc.		
9. Ground rent.		
10. Any source other than those mentioned above. (See note 8.)		
Total		
Deductions claimed on account of contributions to Provident Fund, etc., or insurance premia. (See note 9.)		

(1) Names and addresses of all partners in the case of Firms.

(2) Names and addresses of all adult male members in the case of an undivided Hindu family.

(3) Names and addresses of any persons for whom the assessee is an agent, trustee or guardian.

I declare that to the best of my knowledge and belief the information given in the above statement is correct and complete, that the amounts of income shown are truly stated and relate to the year ended and that no other income accrued or arose or was received by ^{me} the firm during the said year and that ^I the firm have no other sources of income.

Date.....

Signature.....

N.B.—(a) Income accruing to you outside Mysore received in Mysore is liable to taxation and must be entered by you in the form.

(b) All income from whatever source derived must be entered in the form, including income received by you as a partner of a firm.

NOTE 1.—In column 2 should be shown the gross amount of salary and not the net amount after deductions on account of income-tax, provident funds, etc.

NOTE 4.—The tax is payable under this head in respect of the *bona fide* annual value of any buildings or lands appurtenant thereto of which you are the owner, other than such portions of such buildings and lands as you may occupy for the purpose of your business.

NOTE 5—(a) Where you keep your accounts on the mercantile accountancy or book profits system, you must file return in the following form :—

Income, Profits or Gains from Business, Trade, Commerce.

Income, profits or gains as per Profit and Loss Account for the year ended.....192	Rs. A. P.
Add any amount debited in the accounts in respect of—	
1. Reserve for bad debts	
2. Sums carried to reserve for provident or other funds	
3. Expenditure of the nature of charity or presents...	
4. Expenditure of the nature of capital...	
5. Income-tax or Super-tax	
6. Drawings or salary of proprietor or partners	
7. Rental value of property owned and occupied	
8. Cost of additions to, or alterations, extensions, improvements of, any of the assets of the business	
9. Interest on the proprietor's or partner's capital including interest on reserve or other funds	
10. Losses sustained in former years	
11. Losses recoverable under an insurance or contract of indemnity	
12. Depreciation of any of the assets of the business	
13. Private or personal expenses and expenses not incurred solely for the purpose of earning the profits	
Total	
Deduct—Any profits included in the account already charged to Mysore income-tax and the interest on securities of the Government of Mysore declared to be income-tax free	
Balance	

(Signature of the person making the return).....
Date.....192

(b) Where you do not keep your accounts in such a form, you must file a statement showing how you arrive at the taxable profits, i.e., showing details of the gross receipts and of the expenditure you propose to set against those receipts. No deductions are permissible on account of—

- (i) Property owned and occupied by the owner of a business for the purposes of a business;
- (ii) Additions to or alterations, extensions, or improvements of any of the assets of the business;
- (iii) Interest on the capital of the proprietors or partners of the business;
- (iv) Bad debts not actually written off in the accounts;
- (v) Losses sustained in previous years;
- (vi) Reserves of any kind;
- (vii) Sums paid on account of the income-tax or super-tax or any tax levied by a local authority other than local rates or municipal taxes in respect of the portion of the premises used for the purpose of the business;
- (viii) Any expenditure of the nature of charity or a present;
- (ix) Any expenditure of the nature of capital;
- (x) Any loss recoverable under an insurance or a contract of indemnity;
- (xi) Depreciation of any kind other than that specified in the Regulation;
- (xii) Drawings or salaries of the proprietors or the partners;
- (xiii) Private or personal expenses of the assessee;
- (xiv) Any expenditure of any kind which is not incurred solely for the purpose of earning the profits.

If you have included any such sums in your expenditure in your books, you must exclude them from the expenditure permissible for the purpose of arriving at your taxable profits.

NOTE 6.—The income, profits or gains shall be computed after making allowance for any expenditure (not being in the nature of

capital expenditure) incurred *solely* for the purpose of such profession or vocation, provided that no allowance is made on account of any of your personal expenses. Professional fees received by you outside Mysore must be included by you in your receipts.

NOTE 7.—Income-tax chargeable on the profits of companies is paid by the companies, so that the dividends which shareholders receive represent the net amount remaining after income-tax has been paid. The amount of income-tax paid upon these dividends, even if the dividends are stated to be income-tax free should, be added to the amount of the dividends actually received, and the gross amount arrived at should be entered in column 2 of the statement.

If the rate of tax applicable to your total income is less than the rate at which tax has been paid upon your dividends, you may, by attaching the company's certificate received with the dividends, have the excess collected on your dividends, from the company set against the tax payable by you on your other income instead of having to apply separately for a refund.

NOTE 8.—(a) Agricultural income from land not paying land revenue to the Government should be included under this head.

8.—(b) The Income-tax Regulation does not apply to the securities of the Government of India. The interest on securities other than those of the Government of India is taxable unless specially declared by the Government of Mysore to be free of tax. The income derived from such securities should be entered under this head.

NOTE 9.—Deductions from total income can only be made for insurance premia in respect of insurance on your own life or on the life of your wife, or in respect of a contract for a deferred annuity on your own life or on the life of your wife. No deduction is permissible in the case of any other form of insurance except in the case of Hindu undivided families where deductions are permissible on account of premia paid in respect of insurance, on the life of any male member of the family or of his wife. The original receipt or the certificate of the insurance company to which the premium was paid must be attached to the return.

19A. When returns of income prepared by approved, chartered, incorporated or, certified accountants are filed by assesseees, separate scrutiny of the assesseees' books will be dispensed with unless there are special reasons which in the Income-tax Officer's opinion render such scrutiny desirable.

19B. Members of the undermentioned institutions are approved for income-tax purposes:—

- (1) The Institute of Chartered Accountants of England and Wales.
- (2) The Society of Incorporated Accountants and Auditors.
- (3) The Society of Accountants in Edinburgh.
- (4) The Institute of Accountants and Actuaries in Glasgow.
- (5) The Society of Accountants in Aberdeen.
- (6) The Institute of Chartered Accountants in Ireland.

19C. (a) Accountants who are certified under the Mysore Companies Regulation and who wish to be approved for income-tax purposes should apply to the Government. Their applications will be considered by a Committee consisting of:—

- (1) The Commissioner of Income-tax in Mysore.
- (2) The Registrar of Joint Stock Companies.
- (3) The Chairman, Mysore Chamber of Commerce.
- (4) The Deputy Commissioner of Income-tax for the taluks and cities of Bangalore and Mysore.

The decisions of the Committee will be final.

(b) Approval of an accountant under this rule or rule 19 (B) is liable to revocation in any case by a vote of the committee referred to above.

19D. Accountants approved for income-tax purposes shall be bound to certify compliance with the income-tax

law and rules and to give in their certificates such particulars as the Commissioner of Income-tax in Mysore may require.

19E. When the production of accounts is required under Section 22 (4) of the Regulation *or when accounts are produced as evidence called for under section 23 (2) of the Regulation*, a true translation of the accounts either in English or Kannada shall be produced along with the originals *when so required*, if the accounts are not maintained either in English or in Kannada.

20. The Notice of Demand under Section 29 shall be in the following form :—

NOTICE OF DEMAND UNDER SECTION 29 OF THE
INCOME-TAX REGULATION, 1923.

To

1. You have been assessed for the current year to income-tax amounting to Rs. (in addition to which a penalty of Rs. has been imposed); as shown in the copy of the assessment form sent herewith.

2. You have also been assessed to super-tax amounting to Rs.

3. You are required to pay the amount of Rs. on or before the to at when you will be granted a receipt.

4. If you do not pay the tax on or before the date specified above, you will be liable to a penalty which may be as great as the tax due from you.

5. If you are dissatisfied with your assessment you may present an appeal under sub-section (1) of Section 30 of the Mysore Income-tax Regulation, 1923, to the Deputy Commissioner of ^{District} ~~Income-tax in Mysore, Bangalore~~ within 30 days from the receipt of this notice, on a petition duly stamped in the form prescribed under sub-section (3) of section 30 and verified as laid down in that form.

or

The assessment has been made under sub-section (4) of Section 23 of the Mysore Income-tax Regulation, 1923, because you failed—

to make a return of your income under Section 22,
to comply with a notice under sub-section 4 of Section 22,
to comply with a notice under sub-section 2 of Section 23,

and no appeal lies. But if you were prevented by sufficient cause from making the return or did not receive the notice (s) aforesaid; or had not a reasonable opportunity to comply, or were prevented by sufficient cause from complying, with the terms of the notice (s), you may apply to me, under Section 27, to cancel the assessment and proceed to make a fresh assessment.

6. The appropriate chalan should be sent along with the amount paid. Should you lose the chalans attached to this notice of demand, it will be necessary for you to apply to the Income-tax Officer for copies of fresh chalans.

Dated.....
(Place).....

Income-tax Officer.

NOTE.—The superfluous words in paragraph 5 should be deleted.

ASSESSMENT FORM.

Assessment for 192 -192

District.

Name of assessee.....

Address.....

Serial No.	Detailed sources of income.	Amount of income.	Tax deducted at source.		Remarks.
		Rs.	Rs.	As.	
1	Salaries ...				
2	Interest on securities ...				
3	Property ...				
4	Business ...				
5	Profession ...				
6	Other sources...				

(i) Total income		R.	As.
(ii) Deduction on account of provident fund insurance premia, etc.	R.	As.	
(iii) Deduct sums received as dividends or from a registered firm			
(iv) Deduct amount of interest from tax-free securities of the Government of Mysore.			
(v) Income now to be taxed			
(vi) Rate applicable.....pies per rupee			
(vii) Amount of tax			
(viii) Reduction under Section 17	R.	As.	
(ix) Amount of deductions at source from salary or interest on securities for which credit is given under Section 18 (5)			
(x) Abatement on account of dividends (at.....pies per rupee)			
(xi) Abatement on account of income from a registered firm (at.....pies per rupee).			
(xii) Net amount of tax			
(xiii) Penalty under Section 28 [(or Section 25 (2)]			
(xiv) Total sum payable (in figures as well as in words)			
Rupees.			
Annas.			

FOR USE IN 1923-24 ONLY.

Adjustment for the year 1922-23 and net demand.

1. Actual total income of year adjusted		Rs. a. p.
2. Deduct items exempted or excluded under Section 12 of the Mysore Income-tax Regulation, 1920		
3. Actual taxable income of year adjusted		
4. Rate applicable—		
Pies ordinary on Rs.		
5. Tax due—		
Ordinary Section 18		
6. Tax already paid in respect of the year adjusted—		
(i) at source		
(ii) to Income-tax Officer (preliminary assessment under Section 18)		
Total		
7. Balance for the year adjusted—		
Recoverable.		
To be refunded.		
8. Account for 1923-24 as above		
9. Net amount to be ^{recovered.} _{refunded.}		
In words		

A detailed memorandum of the amount to be deposited in the office is presented herewith. It is requested that summonses may be issued as above.

(2) He shall with such list deposit in the office of the Income-tax Officer or the Deputy Commissioner (i) the prescribed fees for service of summons according to the following scale:—

For each summons or notice.

Nature of process. Amount leviable.

(a) to a single witness 8 annas.

(b) to every additional witness residing in the same village if the processes be applied for at the same time 4 annas.

NOTE.—(1) Any party may deposit the cost of proceeding by railway or any public conveyance where such is available and in such case the process server shall be bound to proceed by such railway or public conveyance, and the cost so deposited shall be part of the costs of the cause.

(2) For processes applied for and ordered to be executed as emergent the fee will be the ordinary fee and half as much, again, and

(ii) the total amount of the allowances to which the said persons are entitled for travelling and other expenses according to the following scale:—

Class	Travelling allowance			Allowance for subsistence and other expenses not exceeding per diem
	By rail	By road	By sea or canal	
First class	First class fare	As. 8 per mile	Actual expenses of passage.	Rs. a. p. 3. 0. 0
Second class	Second class fare.	" 4 "	Do	1 0 0.
Third class	Third class fare	" 2 "	Do	0 8 0.

(3) The expenses of witnesses summoned by the assessing officer at his own instance will be done by Government.

21. An appeal under Section 30 (3) shall be in the following form:—

Form of Appeal.

To

The Deputy Commissioner of.....

The.....day of.....192

The petition of.....of.....showeth as follows:—

1. Under the Mysore Income-tax Regulation, 1923, your petitioner has been assessed on the sum of Rs.....for the year commencing the 1st day of July 192. The notice of demand attached hereto was served upon him on.....

2. Your petitioner's income accruing and arising or received for the year ending the.....day of.....192 amounted to Rs.....

3. Such income and profits actually accrued or arose or were received during the period of.....months and.....days.

4. During the said year, your petitioner had no other income or profits.

5. Your petitioner has made a return of his income to the Income-tax Officer.....under Section 22, sub-section (2) of the Regulation and has complied with all the terms of the notice served on him by the Income-tax Officer under Section 23 (2) [and/or section 22 (4)].

Your petitioner therefore prays that he may be assessed accordingly (or that he may be declared not to be chargeable under the Regulation).

(Signed)

Grounds of Appeal.

Form of Verification.

I,....., the petitioner named in the above petition, do declare that what is stated therein is true to the best of my information and belief.

(Signed)

22. An appeal under section 32 (2) shall be in the following form:—

To

THE COMMISSIONER OF INCOME-TAX
IN MYSORE, BANGALORE.

The.....day of.....192 .
The petition of.....showeth as follows:—

(1) Under Section 31 (3) of the Mysore Income-tax Regulation, 1923, the Deputy Commissioner of..... has increased the tax payable by your petitioner from Rs.....to Rs.....

(2) Your petitioner prays that the enhancement may be set aside or reduced to Rs.....for the reasons stated below:—

(Signed)

Grounds of Appeal

I,....., the petitioner named in the above petition, do declare that what is stated therein is true to the best of my information and belief.

(Signed)

23 (1) In the case of income derived in part from agriculture and in part from business, an assessee shall be entitled to deduct from such income, the market value of an agricultural produce raised by him or received by him as rent in kind which he has utilized as raw material for the purposes of his business or the sale receipts of which are included in the account of his business. The balance of such income shall be deemed to be income derived from the business and no further deduction shall be made therefrom in respect of any expenditure incurred by the assessee as a cultivator or receiver of rent in kind.

(2) For the purpose of sub-rule (1) "market value" shall be deemed to be—

(a) Where agricultural produce is ordinarily sold in the market in its raw state, or after application to it of any process ordinarily employed by a cultivator or receiver of rent in kind to render it fit to be taken to market, the value calculated according to the average price at which it has been so sold during the year previous to that in which the assessment is made.

(b) Where agricultural produce is not ordinarily sold in the market in its raw state, the aggregate of—

(1) The expenses of cultivation;

(2) The land revenue or rent paid for the area in which it was grown; and

(3) Such percentage of the aggregate of (1) and (2) as the Government may from time to time fix for the class of produce concerned.

25. In the case of Life Assurance Companies incorporated in Mysore whose profits are periodically ascertained by actuarial valuation, the income, profits and gains of the Life Assurance Business shall be the average annual net profits disclosed by the last preceding valuation, provided that any deductions made from the gross income in arriving at the actuarial valuation, which are not admissible for the purpose of income-tax assessment, and any Mysore Income-tax deducted from or paid on income derived from investments before such income is received, shall be added to the net profits disclosed by the valuation.

26. Rule 25 shall apply also to the determination of the income, profits and gains derived from the annuity and capital redemption business of life assurance companies, the profits of which can be ascertained from the results of an actuarial valuation.

27. If the Mysore Income-tax deducted from interest on the investments of a company exceeds the tax on the income, profits and gains thus calculated, a refund may be permitted of the amount by which the deduction from interest on investments exceeds the tax payable on such income, profits and gains.

28. In the case of other classes of insurance business (fire, marine, motor-car, burglary, etc.) of a company incorporated in Mysore, the income, profits or gains shall be determined in accordance with the provisions of the Regulation, subject to the allowances specified in the rule next following:

29. If in the ordinary accounts of any insurance business other than Life Assurance, Annuity or capital Redemption Business carried on by an Insurance Company any amount is actually charged against the receipts for the sole purpose of forming a reserve to meet outstanding liabilities or unexpired risk in respect of policies which have been issued (including risk of exceptional losses) and is not used for any other purpose such amount may be treated as expenditure incurred solely for the purpose of earning the profits of the business.

30. Any amount either written off in the accounts or through the Actuarial Valuation Balance Sheet to

meet depreciation of, or loss on, securities or other assets, or which is carried to a reserve fund formed for that sole purpose and not used for any other purpose, may be treated as expenditure incurred solely for the purpose of earning the profits of the business. Any sums taken credit for in the accounts or Actuarial Valuation Balance Sheet on account of appreciation of or gains on the securities or other assets shall be deemed to be income chargeable to tax, subject always to deduction of such portion thereof as has been otherwise taken into account in calculating the income, profits or gains.

31. The income, profits and gains of companies carrying on Dividing Society or Assessment business shall be taken at 15 per cent of the premium income in the previous year and, in the case of non-resident companies, at 15 per cent of the Mysore Premium income in the previous year.

32. Notwithstanding anything contained in rules 25 to 31, the total income, however, of an Insurance Company carrying on more than one class of business shall be determined by its aggregate income from all classes of businesses.

33. In any case in which the Income-tax Officer is of opinion that the actual amount of the income, profits or gains accruing or arising to any person residing out of Mysore whether directly or indirectly through or from any business connection in Mysore cannot be ascertained, the amount of such income, profits or gains for the purposes of assessment to income-tax may be calculated on such percentage of the turnover so accruing or arising as the Income-tax Officer may consider to be reasonable, or on an amount which bears the same proportion to the total profits of the business of such person (such profits being computed in accordance with the provisions of the Mysore Income-tax Regulation) as the receipts so accruing or arising bear to the total receipts of the business, or in such other manner as the Income-tax Officer may deem suitable.

34. The profits derived from any business carried on in the manner referred to in Section 42 (2) of the Regulation may be determined for the purposes of assessment to income-tax according to the preceding rule.

35. The total income of the Mysore branches of non-resident Insurance Companies (life, marine, fire, accident, burglary, fidelity, guarantee, etc.) in the absence of more reliable data, may be deemed to be the proportion of the total income, profits or gains, of the companies, corresponding to the proportion which their Mysore Premium income bears to their total premium income.

36. An application for a refund of income-tax under section 48 of the Regulation shall be made in the following form:—

Application for refund of Income-tax.

I.....of.....
do hereby state that my income from all sources to which the Regulation applies during the year ending.....on the

30th June.....amounted to Rs.....
only.

(The portions
not required
should be
scored out.)

I therefore pray for a refund of—

Rs.....under "Salaries"
Rs.....under "Securities".
Rs.....under "Dividends from
Companies"
Rs.....under "share of profits of the
registered firm" known
as.....of which I am a partner.

Signature.....

I hereby declare that what is stated herein is correct

Dated 192 Signature

37. The application under rule 36 shall be accompanied by a return of total income in the form prescribed under section 22 unless the applicant has already made such a return to the Income-tax Officer.

38. Where the application under rule 36 is made in respect of interest on securities or dividends from companies, the application shall be accompanied by the certificate prescribed under section 18 (9) or section 20, as the case may be.

39. The application under rule 36 shall be made to the Income-tax Officer for the place in which the applicant is chargeable directly to income-tax or, if he is not chargeable directly to income-tax, to the Income-tax Officer for the place in which the applicant ordinarily resides, or if he is not resident in Mysore—

(i) to the Income-tax Officer of the area in which he was last charged directly to income-tax when so resident, or

(ii) if he has never been so resident, to the Income-tax Officer of the area where the income-tax for the refund of which application is made was deducted.

40. The application under rule 36 may be presented by the applicant in person or through a duly authorised agent or may be sent by post.

40A. Where the Income-tax Officer is satisfied that the total income of a holder of a Government Security liable to income-tax, is, below the taxable minimum or, is not likely to fluctuate so widely as to alter the rate appropriate to the total income, he may, on application made to him in this behalf, issue a certificate authorising the person paying the interest on securities to make no deduction of tax or to deduct the tax at a lower rate than the maximum. Such a certificate should be in the following form:—

Form of Certificate to be given to a person paying income-tax at a rate less than the maximum rate on interest received on Securities.

INCOME-TAX OFFICE.....

Dated 192

To

I hereby authorise (1).....

(1) Name and
address of
person paying
the interest.

to deduct income-tax at the rate of (2).....

(2) Rate of
income-tax
sanctioned.pies in the rupee when paying interest on the following
securities to their present holder (3).....(3) Name of
person receiv-
ing interest.This authorisation will remain in force until can-
celled by me.

Income-tax Officer.

DESCRIPTION OF SECURITIES.

By Order,

T. E. JEYARAMA AIYAR,
Secretary to Government,
Revenue Department.